



# employer advisor

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## Electronic Correspondence

### Opt into the Electronic Process!



**E**mployers of all sizes want to save time and money. The Department of Workforce Services (DWS) has a new electronic correspondence program to help employers save time and money while remaining current on Unemployment Insurance (UI) reports and contributions.

After opting into electronic correspondence and completing the enrollment process, you will be linked directly to DWS. You may check readily available DWS correspondence quickly and efficiently. Stored on a secure server, electronic correspondence cannot be compromised. Additionally, all DWS information is neatly organized for viewing at your convenience. You will be notified by email when new documentation has been mailed to your electronic correspondence inbox. Presently, you may receive the following UI documents electronically:

- Form 613—Weekly Earnings Information Request
- Form 625—Request for Wage Information
- Form 669M—Grievance Notification to Employer
- Form 65—Notice of Potential Unemployment Benefit Costs
- Form 66—Statement of Employment Benefit Costs
- Form 606A—Notice of Claimant Eligibility and Employer Charges
- Form 606 (and 606C)—Employer Notice of Claim Filed

You may wonder how much time is needed to establish an electronic correspondence account. Set up time (opt-in) usually takes less than ten minutes. Immediately after completing the process, you will be able to view your correspondence online.

The steps needed to set up your electronic correspondence appear below:

- Go to the DWS website: jobs.utah.gov.
- Under the Unemployment Insurance heading, click on “File Quarterly UI Reports.”
- Click on the Electronic Correspondence option.
- The Electronic Correspondence page lists all of the UI benefit documents currently available electronically.
  - Select the “click here to login.”
  - Select “Sign Up Now.”
  - Complete the User Registration and continue. Be sure to follow the instructions and create a PIN. You will need your PIN and email address to access your account.

To summarize, benefits from enrolling in electronic correspondence include the following:

- You will be notified by email when new correspondence is available
- Electronic Correspondence is convenient and secure
- Your information is protected
- Postage costs are reduced

## Legislation Enacted to Ensure Equitable Tax Rates

Several years ago, the Utah State Legislature passed legislation designed to prevent the practice of “SUTA Dumping” in conformity with federal legislation passed at about the same time.

SUTA dumping is the practice of circumventing or manipulating a State Unemployment Tax Act (SUTA) experience rating system to qualify for a reduced tax rate by moving or eliminating (“dumping”) UI benefit charges from the employer’s tax rate calculation.

Employers that have higher UI benefit charges (paid to former employees) typically have higher UI tax rates than employers who maintain stable workforces. Although several methods are used, a typical SUTA dumping scenario involves an employer who establishes one or more “shell” companies before transferring all or part of its payroll to one of the shells assigned a lower UI rate. The experience of the former company is “dumped,” the employer’s tax liability is reduced, and all employers must make up for the lost revenue by paying higher “social costs.” The legislation is designed to ensure that employers with higher unemployment experience risks are accountable for these risks while employers with low unemployment risks are protected.

Section 35A-4-304 of the Employment Security Act includes special provisions regarding the transfer of unemployment experience and contribution rates. It provides that if an employer transfers its trade or business (including its workforce) or a portion of its trade or business to another employer and, at the time of transfer, there is common ownership, management or control of the employees, then the unemployment experience attributable to each employer shall be combined, and both entities will have the same UI tax rate for up to three years.

**The legislation also provides meaningful civil and criminal penalties for any person, including tax advisors, who knowingly violates or attempts to violate any provision of the legislation.**

The bolded area is significant during this time when unemployment insurance rates for all employers have increased. Without this year’s rate increases, the UI trust fund would become insolvent. Although these rate increases may tempt some employers or representatives to consider SUTA dumping schemes, UI’s refined SUTA dumping detection activities will expose these efforts.



## OPEX: New Technology at Work

At the end of each quarter, the Department of Workforce Services (DWS) processes approximately 55,000 reports and payments. How do we accomplish this so quickly? In July of 2010, DWS implemented the innovative OPEX machine technology through which we scan documents. OPEX reads the barcode on the forms to identify account specific information and the form type allowing everything to be routed to our database.

The OPEX system can read the documents if they have been typed or machine printed. The elements on the forms must be formatted exactly. Such an approach tells the program where to find critical data such as your registration number, report information, and wage

data that we enter into our database. From there, the OPEX machine sends the documents to staff members who verify the information. Any information that is either incorrect or the system is unable to read must be manually input. This approach slows processing which increases costs and delays benefit payments. Finally, the OPEX machine posts the reports, payments, and wages to your employer account. In sum, the OPEX machine plays a critical role in processing UI Contribution reports and wages efficiently and timely while keeping administrative costs as low as possible.

As an alternative, filing your reports and paying online at [jobs.utah.gov](http://jobs.utah.gov) will also keep administrative costs down while saving you, the employer, time and money.